



The Insider

www.senate.michigan.gov/switalski

Inside State Politics with State Senator Mickey Switalski Senate District 10

September 3, 2009

Welcome to the electronic version of *The Insider*. I would like to take the opportunity to thank you for your support and giving me an opportunity to represent you in the Michigan Senate. It is my sincere hope that this bi-weekly e-newsletter will keep you informed of the happenings in Lansing while staying true to the traditional style of *The Insider*. If you would like to contact me, please feel free to e-mail me at senmswitalski@senate.michigan.gov or call me at my Roseville or Lansing office. You can also meet me in person during my constituent hours, coming to a location near you. Call my office and make an appointment or just walk in. See the schedule below for details.

Mickey's Blog: How to Save \$100 Million

In the last issue, I discussed ways the state could save millions by ending double-dipping by the state police in the Deferred Retirement Option Plan (DROP) (*Savings: \$4 million*); privatizing the MEAP test by replacing it with a better, cheaper off-the-shelf test (like the IOWA test), using an uncustomized ACT test, and eliminating end of course tests (*Savings: \$22 million*); and consolidating elections to once annually (*Savings: \$10 million*). Prior to that, I wrote about reducing Circuit Court judges by not filling vacant seats of retiring judges (*Savings \$10 million*).

This issue, I am suggesting three other changes the Michigan Legislature could make to save taxpayers money. These proposals include Revenue Sharing reductions, pharmacy costs, and modernizing the preliminary exam system. These items are controversial, but so are nearly all cuts

Revenue Sharing

A few years ago the state changed the date when counties could collect their millage. I sponsored the bill, which in effect moved the payment date up about six months. People still paid the same amount of money, but they paid it earlier, so the change was generally accepted by most reasonable people.

The counties were able to draw down equivalent revenue sharing dollars from these Reserve Funds. As an added bonus, they were allowed to draw down cost-of-living increases. Now, for the first time, several counties have exhausted their Revenue Sharing Fund and now the state has to pay out of the General Fund in order to make these counties whole.

No one wants to cut Revenue Sharing, but I for one know how badly the budget has shrunk and I consider it my responsibility to balance the spending with current revenue. You have to do no different at home.

Therefore, I believe that when we begin paying for counties from the General Fund, we need to establish a rate that does not include the increased COLA in the draw.

After all, cities, villages, and townships were all frozen in Michigan, beginning in 2003. How can the counties expect to keep earning this enhanced benefit, when everyone else was frozen at the 2003 level?

Equity commands that counties take the same cut. *Savings: \$23 million*

Prescriptions

One of the cuts we passed back in March, that we are renegeing on, is a requirement that mental health patients on Medicaid starting a new drug must first try a cheaper drug off an approved list. If a physician wants to prescribe an unlisted drug, the prescription must be pre-authorized by the state. I have taken much criticism for supporting this initiative. You would think that something proposed by our *Democratic* Governor, and sponsored by the Senate *Republican* Chair of Community Health, who is also a doctor, would be seen as bi-partisan and reasonable. It saves \$7 million in General Funds and \$20 million overall.

But the cut appears headed for defeat. By failing to immediately implement it in March after our initial agreement, we have already lost \$3 million. Opponents focus on the harshness of the cut to a sympathetic group, the mentally ill. But there are two things wrong with not making this cut, which advocates ignore by failing to look at the big picture.

First, people who are not on Medicaid, but who pay the bill for Medicaid, already have to submit to pre-authorization. So they are paying for a better benefit for people on public assistance than they have themselves.

More importantly, if we don't make this cut, then we will have to cut Mental Health funding for non-Medicaid people, who again are the people paying the taxes for Medicaid. And we already cut them 20%. Is it fair to go back and cut them 25% to make up the difference, while the Medicaid group gets no cut?

I think the pain of cuts should be shared by everyone. *Savings: \$20 million*

Preliminary Exams

A couple of years ago, Republican Attorney General Mike Cox proposed eliminating preliminary exams, which is an initial appearance in court to see if enough evidence exists to justify charges against the accused and a trial. By all accounts much time is wasted among police, witnesses, and court personnel because most exams are waived.

I opposed this proposal in the past, because many cases are settled at this exam with the accused pleading guilty to a charge negotiated with the prosecutor. This is usually the second scene in *Law & Order*, except they don't agree on a plea until 40 minutes later in the show.

But given our need to shrink government, we can't afford to waste resources like police time away from the streets, and witness time away from work.

So I have taken a second look at this proposal. A good idea is a good idea no matter who proposes it, and this is a good idea whose time has come. With some modifications, I believe it can help the criminal justice system maintain public safety with fewer people by squeezing waste out of the system. I believe this can be done without compromising the rights of the accused.

At a time when Macomb and many other counties and cities are reducing manpower in the prosecutor and police departments, we have to find ways of helping them to do more with less. If we do this and similar changes, we can help them adapt to the lower Revenue Sharing Payments I mentioned above (*Savings: \$10 million*).

An Appeal

So that's my suggestion for \$100 million. You can quibble about the estimates, or quarrel about who gets the savings, but if you don't like my ideas, perhaps you have some of your own. And since my estimates only add up to \$99 million, surely you could help me by suggesting how to find my last \$1 million to round out the number? So please continue to share your suggestions and feedback on the above.

I couldn't publish everyone's thoughts in the current issue but keep the suggestions coming. I will continue to print your thoughts and suggestions in the next *E-Insider*.

Mickey's E-Mail Bag

I'd suggest putting that about the police double dipping and children's test change in the senior Papers they get from the centers along with yours. They have lots of time to talk to their Grandchildren about changing the tests and keep them aware what is going on with the new recruits on the police force. They do get around and talk the issues up, you can bet on it.

Love,
Charlotte Horan
Formerly of Roseville

###

I agree with your state budget cutting proposals and I'm sure there's lots more that can be done but one that comes to mind right now: consolidate the school districts!

Barbara Pawel
Roseville

###

Dear Mickey:

You have hit several nails right on the head. Dropping the DROP program is another excellent idea. I'm hoping the county of Macomb will do likewise - you often wonder what genius came up with that idea.

Secondly, privatizing the MEAP test is another excellent way to save money. Thirdly, why we have the school elections held separately has always had me baffled....

Pat Newman
Clinton Township

###

Dear Senator Switalski:

I agree with you about the DROP program with the state police. I also think we could save money by offering a buyout to teachers ready to retire.

Last year there was talk about raising the retirement multiplier for teacher from 1.5% to (I believe) 2% and this was voted down. I agreed with that decision not to increase the multiplier, but I also think that offering some sort of retirement incentive would save the districts money.

If the State offered a buyout such as the auto companies did, I believe this would save thousands of dollars per teacher. Let me put some numbers out there.

The beginning teachers earn approximately \$35,000 and a teacher with 15 years will usually be at the top of the pay scale which I believe would conservatively be \$75,000. So for every teacher that retires there would be a savings of approximately \$40,000. Now add to that the difference in retirement payments for that \$40,000 which I am estimating at 15% that would be another \$6,000 savings plus FUTA and SUTA taxes would probably save another \$3,000 bring the total savings up to about \$50,000 per year. If that \$50,000 would be offered to those eligible to retire and a lesser amount to those not eligible to retire, there could be a significant savings to the districts.

Thank you for your time,
John Rossi
Clinton Township

###

Mr. Switalski, only on one of your proposals you showed savings. How about the other two, Election Consolidation and MEAP? How about getting behind the proposal regarding the changes to the benefits of all the state workers?

Roland
Clinton Township

###

Senator,

Your recent "Insider" discussion of the proposal to save State and County expense by eliminating Judges was a perfect example of why this State can't seem to get the message. As a GM employee, wondering every day when they will ask me to leave, I get it. Perhaps the State needs to get to the brink of Bankruptcy before they realize the importance of acting fast. GM fixed, in a little over a Month, what they avoided for years. I think we have an even bigger crisis coming to the State of Michigan. We should be grabbing the low hanging (Budget) fruit while we can. Keep the pressure on.

Tom Stockman
Sterling Heights

Mickey's Ends and Notes

GOVERNOR ANNOUNCES ASSISTANCE WEBSITE FOR PEOPLE IN NEED

Governor Jennifer Granholm recently announced a streamlined state website that will help the unemployed and other Michigan residents easily find programs that may assist them. The Helping Hand website, www.michigan.gov/helpinghand, offers information on jobs and training, unemployment benefits, health care, family support, and housing. People who are applying for food assistance will now be able to apply online through Helping Hand and will not have to visit a Department of Human Services Office. The website can also help people determine if they may be eligible for unemployment benefits or certain types of public assistance such as Medicaid benefits.

While Helping Hand covers many programs and services, it doesn't include every available resource in every Michigan community. So the state is partnering with the Michigan Association of United Ways by providing links on Helping Hand to 2-1-1, the United Way system (<http://www.uwsem.org>) that connects people with information and resources. The state is also partnering with the Michigan Community Action Agency Association. For more information on the programs and services that the Macomb County Community Services Agency provides, visit <http://www.macombcountymi.gov/MCCSA/index.htm>.

AMERICAN DIABETES ASSOCIATION TO HOST DETROIT DIABETES EXPO ON SEPTEMBER 19

More than 600,000 Michigan residents have been diagnosed with diabetes, and an estimated 2.6 million more have prediabetes. According to the American Diabetes Association, this results in an annual statewide health care spending of more than \$5.4 billion that is directly attributable to diabetes-related care.

As a result, the American Diabetes Association is hosting the 2009 Detroit Diabetes EXPO to provide Michigan residents with the latest in cutting-edge diabetes information and health resources. The event is free of charge (including free parking) to the public and will feature the latest information on the disease, including symptoms and treatment options, nutritional planning advice and health screenings. The EXPO will be held on Saturday, September 19, 2009 from 9 a.m. to 3 p.m. at the Michigan State Fairgrounds, located at 1120 West State Fair, Detroit MI 48203. For more information, call 888-Diabetes or visit www.diabetes.org/detroitexpo.

MACOMB RESIDENTS URGED TO TAKE ADVANTAGE OF MICHIGAN HOME HEATING CREDIT

The Michigan Public Service Commission (MPSC) is urging low-income individuals to apply for the Michigan Home Heating Credit before the September 30th deadline. The Home Heating Credit is funded by the federal Low-Income Home Energy Assistance Program (LIHEAP) grant and is administered by the Michigan Department of Treasury to assist lower income people with their winter heating bills. For more information on eligibility requirements and to download the MI-1040CR-7 form, log on to www.michigan.gov/heatingassistance.

Coffee Hours

*In response to requests from constituents, I have added coffee hours in Roseville and during the daytime. Here are my next scheduled coffee hours. Please feel to stop on by or make an appointment by calling my office.

September 28
7-8 p.m.

Senator Switalski's District Office
(31513 Gratiot, Suite B)
Roseville

October 26
1:30-2:30 p.m.

Senator Switalski's District Office
(31513 Gratiot, Suite B)
Roseville

Mickey's TV Insider Show

Check out my TV Insider Show coming to a television station near you. Watch me interview local guests about politics, life, issues and concerns to our district.

Sterling Heights

Every Saturday and Sunday at 1 p.m.
(Comcast Channel 5/WOW Channel 10)

Utica

Every Wednesday at 9 a.m.
(Comcast Channel 5/WOW Channel 10)

Clinton Township

Last week of every month- Sat thru Thurs
(Comcast Channel 5/WOW Channel 10)

Roseville

Various Times-check local listings
(Comcast Channel 18/WOW Channel 10)

Contact My Office

Website: <http://www.senate.michigan.gov/switalski>

Email: senmswitalski@senate.michigan.gov

Lansing Office

Senator Mickey Switalski
Senate District 10
410 Farnum
P.O. Box 30036
Lansing, Michigan 48909

(866) 303-0110 toll free
(517) 373-7315
Fax-(517) 373-3126

District Office

31513 Gratiot, Suite B
Roseville, MI 48066

Monday through Friday
9:00 A.M. to 5:00 P.M.

(586) 294-0925 phone
Fax- (586) 294-0985